

# KENTUCKY PRIMARY CARE ASSOCIATION, INC.

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Office of Health Policy  
c/o Diona Mullins, Policy Advisor  
Cabinet for Health and Family Services  
275 East Main Street  
Frankfort, Kentucky 40605



Dear Ms. Mullins:

Re: Certificate of Need Modernization

The Kentucky Primary Care Association, welcomes the opportunity to lend our voice and opinions to the review of Certificate of Need being conducted by the Cabinet. As you may be aware the Association represents licensed primary care centers, rural health clinics and FQHCs, with over 250 primary care sites in approximately 90% of the counties in the Commonwealth. Many of the communities in which our members serve are among the most rural and poverty plagued counties in the Commonwealth. A majority of the counties served by our members are without hospitals.

With the advent of Medicaid Managed Care the Association formed a messenger model IPA. Today the KPCA/IPA is the largest group of primary care providers serving the Medicaid population in the State. And while our membership is exempt from CON requirements, we feel it is important to be engaged in the discussion of shaping the needed changes in the CON Program.

The stated goal of the Cabinet's review of CON is to adopt a holistic approach to revisions, with the vision of achieving the Triple Aim: better value, better care, and population health improvement. We believe this effort must focus on allowing the development of community based networks of primary care services, which will assist the State in attaining its goals by enabling providers to build systems of services around a Patient Centered Medical Home model. Both CON as well as licensure restrictions for our members prevent the development of lower cost services within a system of care, especially in rural areas of the State.

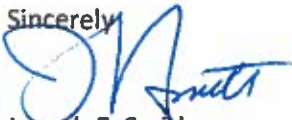
In our opinion, those services which should be considered part of a community based system of primary care include: imaging centers, ambulatory care centers, home health services and ambulatory surgical services. Each of these types of facilities are controlled by the requirements of the CON and impaired by restrictive licensure requirements of licensed PCCs and RHCs.

While the State has moved dramatically to integrate behavioral health and primary care services, we believe there should be consideration given to opening other services to PCCs and RHCs by amending the CON and licensure restrictions. This could lead to a truly integrated system of care. Further, we

believe that with this kind of integration it will be much easier to create a system of care which can facilitate the transformation to value-driven care and pay-for-performance.

Again, we appreciate the opportunity to address the Cabinet on this important matter. As always, the Association looks forward to working collaboratively with the Commonwealth to transform the health care system of Kentucky.

Sincerely,

A handwritten signature in blue ink, appearing to read "J. E. Smith", is written over the word "Sincerely,".

Joseph E. Smith  
Executive Director